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Contact: Committee on Oversight and Government Reform, 202-225-5051

**Towns' Oversight Hearing Finds Economically Distressed Areas
Not A Priority In Awarded Stimulus Transportation Projects**

Chairman ready to work with Transportation Secretary to fix Recovery Act problem

Washington, DC – Chairman Edolphus “Ed” Towns (D-NY) is taking action to ensure that the Department of Transportation (DOT) is awarding Recovery Act funds to economically distressed areas nationwide. The Government Accountability Office (GAO) testified before Towns’ Oversight Committee that DOT is not giving priority to funding projects in “economically distressed areas,” as required by the Recovery Act.

On Thursday, Chairman Towns sent a letter to Secretary of Transportation Ray LaHood requesting a meeting to discuss DOT’s inaction on this important stimulus requirement. The Chairman is determined to work with Secretary LaHood to make certain that Recovery Act funding for transportation projects is directed to areas that are truly in economic distress, like many disadvantaged areas in his home district of Brooklyn, NY.

Chairman Towns became aware of the issue this week during the Committee’s third stimulus oversight hearing titled, “Tracking the Money: Preventing Waste, Fraud and Abuse of Recovery Act Funding.” GAO Acting Comptroller General Gene Dodaro testified that many transportation projects have been selected for funding without regard to whether they are located in economically distressed areas. In addition, a July 9, 2009 article in the New York Times titled, “Transportation Stimulus Gives Short Shrift to Cities” provides an analysis of transportation stimulus money which states that the 100 largest metropolitan areas in the country are getting less than half of the transportation stimulus money.

The Chairman recognizes that there are still important issues to be resolved before Recovery Act spending and accountability works as intended. He will continue to conduct detailed oversight of this program to prevent waste, fraud and abuse of stimulus dollars and ensure that these funds are reaching economically distressed areas.

A copy of the Chairman's letter to Secretary LaHood is attached.

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Documents and Links

- [Letter from Chairman Towns to Secretary LaHood](#)